

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5b

Date of Meeting November 1, 2011

DATE: October 21, 2011

TO: Tay Yoshitani, Chief Executive Officer

FROM: John Christianson, General Manager, Aviation Maintenance
Michael Ehl, Director, Airport Operations
Wayne Grotheer, Director, Aviation Project Management

SUBJECT: Procurement of Indefinite Delivery, Indefinite Quantity Professional Service Agreement for Passenger Loading Bridge Design Services for Seattle-Tacoma International Airport

Amount of This Request: \$0 **Source of Funds:** Current and Future Operating Budgets;
Future Individual Project Authorizations

Maximum Value of IDIQ Contract: \$750,000

ACTION REQUESTED:

Request Port Commission authorization for the Chief Executive Officer to execute a professional services Indefinite Delivery, Indefinite Quantity (IDIQ) design contract for Passenger Loading Bridge (PLB) design services to be used in support of the replacement or refurbishment of Port-owned PLBs at Seattle-Tacoma International Airport (STIA), as well as the purchase and replacement or refurbishment by the Port of PLBs that are currently airline-owned. One IDIQ contract will be issued for the not-to-exceed amount of \$750,000 with a four-year ordering period. No funding is associated with this authorization.

SYNOPSIS:

The Commission has already authorized the replacement of a number of PLBs associated with the Airline Realignment project. This IDIQ will provide design services required through 2015 for the purchase, refurbishment or replacement of existing Port-owned or airline-owned PLBs which have reached the end of their useful service lives. These PLBs will be used at both common use and preferential gates to improve the usage and flexibility of airline gates. The Airport proposes to advertise and select one qualified firm to provide these design services because scheduling PLB projects is relatively unpredictable and dependent on operational or capacity concerns and Port staff are frequently unavailable to take on the additional work. The Office of Social Responsibility will assist in identifying opportunities for small business participation prior to the public advertisement of the IDIQ, and a goal will be established for small contractor and supplier participation.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 2 of 4

BACKGROUND:

This IDIQ is not associated with the first two phases of current PLB Replacement – Airline Realignment CIP (C800467), the design services for which are being addressed under a separate IDIQ contract already in place.

Through the end of 2015, Airport staff estimates that up to 15 PLBs will potentially require the design services expected to be delivered under this contract. Historical data indicates that the design for a PLB replacement project typically costs \$35,000 to \$50,000.

There are currently two capital projects that will require the type of design services expected to be delivered under this contract. The first is C800267 – Airport Owned Gate Infrastructure II, which continues through the end of 2014 and proposes to refurbish or replace existing Port-owned PLBs which have reached the end of their service lives. CIP C800267 will have sufficient funding (\$2.4 million) to replace one and refurbish three PLBs. The second is a yet-to-be-named CIP that is expected to continue through the end of 2015 and proposes to purchase PLBs that are currently airline-owned and to refurbish or replace them as preferential and common use gates.

Over the past several months, Port staff held long-range PLB strategy and acquisition planning meetings in order to identify how best to procure the required PLB design services.

The scheduling of PLB replacement and refurbishment projects is relatively unpredictable and highly dependent upon operational and capacity concerns. In the past, the utilization of this type of IDIQ contract has proven to be an efficient, cost effective and flexible method of responding to uncertain design requirements over a multiple-year time span. While Port staff have the skills required to produce these designs, they do not always have the available capacity to take on additional work. Past experience shows the Port typically has contracted with consultants for these particular design services due to the lack of availability of Port staff, the short duration of the assignments and the fact that the need for these services is normally intermittent in nature.

PROJECT JUSTIFICATION:

Project Objectives:

There is an ongoing requirement for design services for PLBs beyond the current renewal and replacement and airline realignment efforts. The capacity of the current PLB Design Services IDIQ has been depleted by the first two phases of the Airline Realignment project at Concourses D and B as well as by the remaining work in the current PLB renewal and replacement CIP. Additional design capacity is required to complete designs for the five PLBs that are expected to be replaced at the North Satellite. Further, up to four Port-owned PLBs are programmed for refurbishment or replacement through the end of 2014. Finally, there are six airline-owned PLBs (three at the South Satellite and three at Concourse B) that are not included in the scope of the current airline realignment CIP and will likely be acquired by the Port as they become available for purchase.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 3 of 4

PROJECT SCOPE OF WORK AND SCHEDULE:

Scope of Work:

This IDIQ contract will be procured according to Port policies and procedures in accordance with Resolution No. 3605, as amended, and CPO-1. The Port will advertise and issue a request for qualifications (RFQ) that will include a goal for small contractor and supplier participation. The contract will be written with specific not-to-exceed amounts and identify the design services required by the consultant. The contract will have a contract ordering period (during which the design services may be separately authorized) of four years. The actual contract duration may extend beyond four years in order to complete work identified in particular service directives. Service directives may be issued during the contract ordering period. The Port will not issue service directives in excess of the \$750,000 contract value.

Schedule:

It is estimated that the contract will be executed by February 2012 and have a four-year ordering period. The contract duration may extend beyond that period to allow for work to be completed. Each service directive will specify the duration and schedule associated with the task or tasks involved.

FINANCIAL IMPLICATIONS:

The total estimated cost for PLB design services will not exceed \$750,000. The contract will have a not-to-exceed dollar threshold. No work is guaranteed to the consultants, and the Port is not obligated to pay the consultant until a service directive is executed. After receiving Commission authorization for each project in accordance with Resolution No. 3605, as amended, the actual scope of work will be defined and the Port will issue individual project-specific service directives.

Charges to this contract will come directly from individual PLB replacement or refurbishment projects which have already been authorized by the Commission and will be applied utilizing established procedures and guidelines. Consequently, there is no funding request associated with this IDIQ authorization. Unused contract capacity will expire at the end of the contract duration.

ENVIRONMENT AND SUSTAINABILITY:

Each project will identify environmental sustainability benefits as part of its authorization.

STRATEGIC OBJECTIVES:

This project supports the Port's strategy to 'Ensure Airport and Seaport Vitality' through renewing and replacing infrastructure vital to the Port's operations.

Best management practices will be employed in the selection of the consultant as well as for materials, work practices and ongoing total cost of ownership.

BUSINESS PLAN OBJECTIVES:

This project is aligned with the Aviation business plan objectives to maintain safe facilities and assets while providing customers with a compelling value.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

October 21, 2011

Page 4 of 4

TRIPLE BOTTOM LINE SUMMARY:

Each project will identify a triple bottom line summary as part of its authorization.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

1. Prepare separate procurements each time PLB design services are needed. This option would be an inefficient use of Port resources as it would result in multiple low-dollar contracts for similar services. This is not the recommended alternative.
2. Prepare one Category III procurement to provide PLB design services in the amount of \$750,000. This alternative ensures a competitive process, encourages small business participation and provides Port staff with the necessary tools to respond to short-notice requests for service in a flexible, cost-effective and timely manner. **This is the recommended alternative.**

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.

PREVIOUS COMMISSION ACTION:

There have been no previous Commission actions related to this IDIQ.